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ABSTRACT

At the request of Congressman Ted Weiss, the General Accounting Office (GAO) reviewed discretionary grant funding practices by the Office of Human Development Services (OHDS) for National Center on Child Abuse and Neglect projects. The GAO investigation focused on the extent to which OHDS selected and rejected full grant applications and preapplications out of ranking order without written justification and the extent to which it selected grant applications for administrative rather than competitive review without written justification during fiscal years 1984 and 1985. The results revealed that in selecting child abuse and neglect projects to fund in 1984 and 1985, 15% of OHDS's decisions on competitively reviewed full applications and preapplications were made out of ranking order. Written justification was not prepared for 83% of these cases, nor was it prepared for any applications rejected within ranking order or for 93% of decisions to select grant applicants for administrative rather than competitive review. Other required documentation on resolution of recommendations and suggestions of expert reviewers, review comments by OHDS officials, and files of rejected applications were also not kept. Although OHDS took steps to remedy these problems in fiscal year 1986, the steps did not resolve all of the problems. The report includes several recommendations for the Secretary of Health and Human Services. (NB)

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United States General Accounting Office

GAO

Report to the Chairman, Subcommittee on Human Resources and Intergovernmental Relations, Committee on Government Operations, House of Representatives

May 1987

HEALTH AND HUMAN SERVICES

Documentation of Funding Decisions for Child Abuse and Neglect Grants Inadequate

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GAO

United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-222774

May 22, 1987

The Honorable Ted Weiss
Chairman, Subcommittee on Human Resources
and Intergovernmental Relations
Committee on Government Operations
House of Representatives

Dear Mr. Chairman:

This report, which you requested, discusses the review and award process for discretionary grants funded through the National Center on Child Abuse and Neglect during fiscal years 1984-86. The report focuses on the extent to which the Office of Human Development Services (OHDS) in the Department of Health and Human Services (HHS) developed and maintained required documentation to support decisions made during the review and award process, including reasons certain applications were funded or rejected.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from its issue date. At that time, we will send copies to the Secretary of HHS and interested congressional committees and subcommittees and make copies available to others upon request.

Sincerely yours,

Richard L. Fogel
Assistant Comptroller General

Executive Summary

Purpose

Questions have been raised about the fairness and objectivity of the process by which discretionary grant applications relating to child abuse and neglect are reviewed and awarded by the Office of Human Development Services (OHDS) in the Department of Health and Human Services (HHS). The process was first criticized in the early 1980's by HHS's Inspector General (IG), OHDS's internal review officer, and GAO for OHDS's failure to justify in writing its reasons for funding lower ranked grant applications, rather than higher ranked ones. As a result, OHDS had made commitments to improve its documentation of such decisions.

After obtaining information about recent OHDS grant award decisions, Congressman Ted Weiss, Chairman of the Subcommittee on Human Resources and Intergovernmental Relations, House Committee on Government Operations, asked GAO to review discretionary grant funding practices by OHDS for National Center on Child Abuse and Neglect projects. GAO focused on the extent to which OHDS in fiscal years 1984 and 1985

- selected and rejected full grant applications and preapplications out of ranking order without written justification, and
- selected grant applications for administrative (noncompetitive) review without written justification.

Background

The center was established by the Child Abuse Prevention and Treatment Act of 1974 to promote discretionary and state grant projects and research on the prevention and treatment of child abuse and neglect. During fiscal years 1984-86, the center's grants totaled $66.8 million, of which $36.7 million was discretionary funding.

OHDS has used both a one- and a two-stage process to evaluate discretionary grant proposals. The one-stage process involved evaluations of only full applications, which were reviewed by panels of experts. In the two-stage process, used in fiscal years 1984 and 1985, preapplications (concept papers describing proposed projects) were provided before full applications were submitted. After panels of experts competitively reviewed and scored all preapplications, OHDS ranked them according to their average scores. OHDS then decided which candidates should be asked to submit full applications. After being reviewed competitively by panels of experts or administratively by OHDS officials, the full applications were ranked by OHDS, and projects were selected for funding.

According to HHS's and OHDS's grant administration manuals, discretionary grant applications should be ranked according to their average scores. In deciding which applications to fund, OHDS may deviate from the ranking order, provided it justifies in writing the rationale for those selections. Any decision to reject an application, regardless of its ranking order, must be justified in writing. The manuals are silent, however, as to the selection of preapplications and the administrative review of full applications. To evaluate OHDS's processing of preapplications, GAO used the criteria prescribed for full applications.

Results in Brief

In selecting child abuse and neglect projects to fund in fiscal years 1984 and 1985, OHDS frequently did not justify in writing its decisions to approve full applications out of ranking order. During these years, 15 percent of OHDS's decisions on competitively reviewed full applications and preapplications were made out of ranking order. But in 83 percent of these cases, the required written justification was not prepared. Also, none of the applications rejected within ranking order was justified in writing, nor were 93 percent of the decisions to select grant applicants for administrative rather than competitive review.

Additionally, OHDS did not keep documentation on the resolution of recommendations and suggestions made by expert reviewers of grant applications and on review comments by various OHDS officials, nor files of rejected applications, as required.

For fiscal year 1986, OHDS took steps to remedy the problems. It discontinued soliciting preapplications and administratively reviewing full applications. Rather, all full applications were competitively reviewed by panels of experts in a one-stage process. OHDS also reaffirmed the existing policy to document decisions to fund applications out of ranking order before releasing grant funds.

While these actions addressed certain OHDS documentation weaknesses identified by GAO, they did not resolve all of them, including the need for written justification when rejecting applications within ranking order. By not preparing full documentation, OHDS will appear to be arbitrary and inequitable in its decisionmaking.

Principal Findings

Funding Decisions Often Not Justified in Writing

Of the center's 234 full applications for discretionary funding considered in fiscal years 1984-85, OHDS approved 129 and rejected 105. Of the 105 applications not funded, 3 were administratively reviewed. Of the 102 competitively reviewed, 13 were rejected out of ranking order, including 9 that were not justified in writing. Also, none of the 89 rejected within the ranking order was justified in writing.

Of the 129 proposals funded, 74 were competitively reviewed by experts. Of these, 60 were funded within ranking order and 14 out of ranking order. For 9 of the 14, OHDS did not provide written justification. For the other five, the written justification was so vague and brief that the rationale for the decisions was not clear. The remaining 55 applications funded were administratively reviewed by OHDS staff. Of these, three had written justification as to why they were administratively rather than competitively reviewed.

Most Preapplications Decided Out of Ranking Order Inadequately Documented

Of the 552 preapplications submitted for fiscal years 1984 and 1985 (excluding the 60 selected to submit full applications for administrative review), OHDS rejected 46 out of ranking order, justifying 7 in writing, and selected 39 out of ranking order to submit full applications, of which three had written justification. However, the written justification did not clearly present the rationale for the 10 decisions.

Other Documentation Not Prepared

Documentation for other aspects of the review process was not prepared. Lacking were

- official files for full applications not funded (regulations require such files to be maintained for at least 3 years after the grant award process is completed),
- documentation indicating whether expert reviewers' recommendations and suggestions (negotiation points) to improve grant applications were considered and/or acted on by OHDS before grant funds were released, and
- documentation summarizing comments and recommendations made during the review process by various officials.

Remedial Steps Insufficient

In actions taken to implement its 1986 memorandum affirming existing policies on documentation of grants' decisions, OHDS justified in writing its decisions to both approve and reject applications out of ranking order. But for applications rejected within ranking order, OHDS still did not prepare written justification as required by HHS and OHDS grant administration manuals. Also, these actions failed to address the other documentation deficiencies GAO identified.

Recommendations

GAO recommends that the Secretary of HHS direct the Assistant Secretary for Human Development Services to

- prepare written justification for all rejections, as required by OHDS and HHS grant administration manuals;
- prepare official files for all applications rejected for funding and retain these files for at least 3 years after grant awards are made;
- withhold funds from grantees until documentation is included in the official grant files showing that all negotiation points raised during the review process have been considered and resolved; and
- examine existing policies requiring documentation for grant award decisions and determine whether the required documentation ensures fair and objective consideration for all grant applications.

Agency Comments

GAO did not request official agency comments on a draft of this report. However, the views of HHS and OHDS officials were obtained and incorporated in the report where appropriate.

Contents

Executive Summary		2
Chapter 1 Introduction		8
	Background	8
	Preapplication Stage: Competitive	10
	Full Application Stage: Usually Competitive	11
	Objectives, Scope, and Methodology	12
Chapter 2 Documentation Often Lacking for Grant Award Decisions Made Out of Ranking Order in Fiscal Years 1984-85		14
	Written Justification in Two-Stage Review Process in 1984 Inadequate	14
	Documentation of Preapplication and Full Application Decisions Still Lacking in 1985	17
	Conclusions	20
Chapter 3 Other Reports of OHDS Documentation Problems Noted; Further Agency Action Still Needed		22
	Deficiencies in Documentation of Grant Process Noted Previously	22
	Other Documentation Policies for Grant Programs Not Followed	26
	OHDS's Recent Actions Do Not Remedy All Documentation Deficiencies	28
	Conclusions	30
	Recommendations	31
Appendixes		
	Appendix I: Organization Chart for Office of Human Development Services, HHS (October 1986)	34
	Appendix II: Organization Chart for Administration for Children, Youth, and Families, OHDS, HHS (October 1986)	35
	Appendix III: OHDS Competitive Review and Award Process for NCCAN CDP Grants (Fiscal Years 1984-85)	36
	Appendix IV: Documentation of OHDS Decisions on Preapplications for NCCAN CDP Grants Made Out of Ranking Order (Fiscal Years 1984-85)	37

Appendix V: Documentation of OHDS Decisions on Full Applications for NCCAN CDP Grants Made Out of Ranking Order (Fiscal Years 1984-85) 38

Appendix VI: OHDS Decisions on NCCAN CDP Full Applications Funded Out of Ranking Order, by Priority Area (Fiscal Years 1984-85) 39

Abbreviations

CDP	Coordinated Discretionary Program
FIA	Financial Integrity Act
GAO	General Accounting Office
HHS	Department of Health and Human Services
IG	Office of the Inspector General
NCCAN	National Center on Child Abuse and Neglect
OHDS	Office of Human Development Services
OPD	Office of Program Development

Introduction

The National Center on Child Abuse and Neglect (NCCAN) administers discretionary and state grants for activities and research intended to prevent and treat child abuse and neglect. NCCAN operates within the Office of Human Development Services (OHDS) under the Department of Health and Human Services (HHS). Applications for discretionary grants are evaluated for technical merit and ranked according to predetermined criteria. In reports issued in the early 1980's, HHS's Office of the Inspector General (IG), OHDS's internal control officer, and GAO criticized OHDS's funding decisions on out-of-ranking-order grant applications because in some cases the required written justification had not been prepared. Subsequently, OHDS made commitments to change its practices and improve its documentation of decisions made during the grant review and award process (see ch.3).

In a letter of October 7, 1985, Congressman Ted Weiss, Chairman of the Subcommittee on Human Resources and Intergovernmental Relations, House Committee on Government Operations, asked us to review NCCAN grant activities, including OHDS's selection of child welfare projects funded through the Coordinated Discretionary Program (CDP) in conjunction with the projects of other OHDS components.

After performing some preliminary work, we determined that certain OHDS award decisions had not been justified in writing, which raised questions about the fairness and objectivity of the discretionary grant review and award decisions. Consequently, we agreed with the Chairman's office to focus our review on determining the extent to which OHDS did the following in fiscal years 1984 and 1985:

- funded and rejected full grant applications and preapplications out of ranking order without written justification and
- selected grant applications for administrative (noncompetitive) review without written justification.

Background

NCCAN was established by the Congress through enactment of the Child Abuse Prevention and Treatment Act of 1974. NCCAN is located in OHDS under the Administration for Children, Youth, and Families. (Organization charts for OHDS and the Administration appear in apps. I and II.) The Congress established NCCAN to be the federal government's focal point for generating knowledge, improving programs, and collecting and disseminating materials and information on the prevention and treatment of child abuse and neglect.

OHDS's Office of Program Development (OPD)[1] annually solicits applications for CDP projects to be funded in conjunction with the child welfare initiatives of other OHDS programs such as Head Start, Runaway and Homeless Youths, and Native Americans. Projects are selected from among the public and nonprofit private organizations that submit applications in response to the solicitations.

Between 1974 and 1985, OHDS funded over 600 NCCAN grants. In fiscal year 1984, the grant funds totaled $16.2 million—$9.5 million discretionary and $6.7 million to the states. In fiscal year 1985, of $26 million awarded for NCCAN activities, discretionary grant projects received $14 million, while states received the remaining $12 million. During fiscal year 1986, OHDS funded grant activities totaling about $24.6 million—$13.2 million for discretionary grants and $11.4 million for state grants.

The annual CDP announcement, published in the Federal Register, contains instructions and information on applying for grant funds. It also describes the screening requirements, evaluation criteria, and the review and award process. Any special considerations given in selecting applications for funding also are detailed. For instance, in 1985 preference was given to projects that proposed innovative uses of volunteers or involved the private sector.

HHS and OHDS grant administration manuals state that discretionary grant applications should be competitively and objectively reviewed by independent panels of experts and that OHDS should prepare rankings of the applications according to their average scores. In the past, OHDS has used both a one- and a two-stage review process to evaluate the proposals. The first includes only full applications; the second, both preapplications and full applications. A preapplication consists of a concept paper of 10 pages or less that generally describes the proposed project. A full application, usually about 25 pages, contains a comprehensive description of the proposed project.

Before fiscal year 1982, OHDS used the one-stage process and in fiscal years 1982 through 1985, it used the two-stage process. For fiscal year 1986, OHDS reverted to the one-stage process, during which all full applications were competitively reviewed by panels of experts. (See app. III for a diagram of the OHDS two-stage process.) The following sections

[1]OPD was responsible for the CDP for most of our review. In August 1986, however, OPD's functions were consolidated with another office's functions into the new Office of Policy, Planning, and Legislation. Despite this change, we use OPD throughout this report because of the information that key OPD officials provided us for this review.

describe how OHDS evaluates and selects preapplications and full applications during each process.

Preapplication Stage: Competitive

Under the two-stage process, the preapplication stage is always a competitive process. After preapplications are solicited through formal announcements in the Federal Register, OHDS screens them to determine if they contain the specific information requested. Then, each preapplication is evaluated by a panel of experts[2] for technical merit. They rate the preapplications on a scale of 0 to 100 according to the evaluation criteria set forth in the Federal Register announcement, which describes these evaluations as being "competitive reviews." OHDS staff ranks the preapplications according to their average scores, computed from the individual scores assigned by the panel members. The rankings and related documentation are then referred to the OHDS executive staff—comprising the Assistant Secretary for Human Development Services and program commissioners—who decide which preapplicants will receive further consideration.

Lower ranked preapplications may be selected out of ranking order by OHDS executive staff to receive further consideration according to such factors as innovativeness, geographical distribution, uniqueness, or exemplariness. At this time, the OHDS staff determines whether the full applications to be submitted by these preapplicants will be competitively reviewed by panels of experts, as in the preapplication stage, or administratively reviewed by OHDS program staff.

After the OHDS executive staff decisions are made, preapplicants are notified in writing of the review results. The rejection letters do not specify the reasons preapplicants were not selected to submit full applications, but do advise them that they may write to OHDS to obtain detailed feedback. Selection letters notify preapplicants that (1) they have been selected to submit full applications and (2) whether the review will be competitive or administrative.

[2]The three to five experts on each panel work in child welfare services and related disciplines for various organizations in the public and private sectors.

Full Application Stage: Usually Competitive

When full applications designated for competitive review are received, they are rated by panels of experts, who use the same approach as was used on the preapplications. To each application, the panel assigns an average score from 0 to 100, which is then used by OHDS staff to rank that application within each priority area.[3]

For each full application designated for administrative review, OHDS and NCCAN program staff review it and assign to it an administrative "code" of 99 if it is acceptable or .01 if unacceptable. Acceptability, according to an OHDS official, generally is based on the application meeting administrative conditions, such as the requirement for 25-percent nonfederal matching of funds. The code assigned by the program staff is used in the same manner as the average score assigned by the expert panel to rank a proposal.

All full applications, whether competitively or administratively reviewed, are then considered by the OHDS executive staff, which uses documents called "decision memoranda" to summarize their decisions. Average scores from the competitive review and codes from the administrative review are recorded on these decision memoranda. OHDS executive staff may approve or disapprove proposals for funding in or out of the ranking order. For example, in a given priority area OHDS may receive six applications and decide to fund those ranked #1, #2, #3, and #5. Applications ranked #1, #2, and #3 would be considered funded within ranking order; #5 would be considered approved for funding out of ranking order. OHDS officials told us that an application might be selected for funding out of ranking order for various reasons such as (1) the project might result in a new development or approach, (2) a minority organization submitted the application, or (3) OHDS wished to disperse grant funds among geographical areas. The application ranked #4 would be considered rejected out of ranking order and the #6 would be considered rejected within ranking order.

According to the HHS and OHDS grant administration manuals, OHDS is permitted to approve or disapprove grant applications for funding out of ranking order. Both manuals, however, require that the rationale for such decisions be justified in writing on the decision memoranda or in separate memoranda prepared for the official grant files. The manuals specify that (1) the written justification must include the reasons for the differences in the order of approval or disapproval and include all factors affecting the approving officials' decisions and (2) in the absence of

[3]Priority areas identify child welfare issues for which grant funds are available in a given year. Grant applications are expected to focus on these priority areas to be considered for funding.

such written justification, the grants should not be awarded. Also, all applications disapproved for funding must be justified in writing, without regard to ranking order. HHS and OHDS established these policies to help ensure that the review and selection of grant applications are objective and competitive.

Objectives, Scope, and Methodology

We limited our review of NCCAN activities to analyzing the decisions OHDS made on CDP grant applications submitted for fiscal years 1984, 1985, and 1986. Our work was performed at OHDS headquarters in Washington, D.C. We obtained information from program officials in OPD, the Administration for Children, Youth, and Families, the Children's Bureau, and NCCAN, and also from grant management officials in OHDS's Office of Management Services, Grants and Contracts Management Division, which maintains the official grant files.

We used information contained in the decision memoranda to review OHDS decisions on NCCAN's CDP applications received during fiscal years 1984 and 1985. In addition, we examined the official grant files for 56 of the 64 applications funded in fiscal year 1985 to determine if the files contained additional written justification, especially on decisions to fund applications out of the ranking order. We examined these 56 because information contained in the decision memoranda did not sufficiently explain why certain decisions were made.

To determine whether OHDS practices regarding the preparation of written justification changed during fiscal year 1986, we analyzed the decision memoranda for documentation when decisions were made to fund or reject certain applications in or out of ranking order. Specifically, OHDS provided examples of written justification from the official files on decisions to fund applications out of ranking order.

To decide which applications required written justification, we discussed with OHDS officials their methodology for determining when applications were considered approved/disapproved in or out of ranking order. (See p. 11 for an example illustrating OHDS's methodology). We did not, however, consider the administratively reviewed applications[4] as part of the rankings because these applications were not evaluated and rated by experts during the full application stage. As a result, we did not include administratively reviewed full applications in our out-of-ranking-order analyses. As we discussed on page 10, OHDS invited these

[4]Administratively reviewed applications were competitively reviewed only in the preapplication stage.

applications because their projects were considered unique or exemplary. Accordingly, we analyzed the preapplications to determine whether OHDS prepared documentation to justify those projects' unique or exemplary features.

HHS and OHDS grant administration manuals do not cover the preapplication stage of the grant review process, including the decisions as to whether preapplicants selected to submit full applications will be administratively or competitively reviewed. As a result, we applied the same criteria on the need for written justification in the preapplication stage as HHS and OHDS policies prescribe for full grant applications.

Our review was conducted between November 1985 and July 1986 and included necessary follow-up work through December 1986. During this review, we issued to the Chairman of the Subcommittee on Human Resources and Intergovernmental Relations two other products on OHDS grant award activities:

- A fact sheet issued on April 10, 1986, Child and Family Welfare: Selected Discretionary Grant Funding in Fiscal Year 1985 (GAO/HRD-86-87FS) and
- GAO correspondence dated October 3, 1986, which contained data on the grant award decisions OHDS made on NCCAN CDP applications in fiscal years 1984 and 1985.

In performing our review, we used a report prepared by HHS's IG[5] and an HHS/OHDS internal control review report[6] and reviewed three prior GAO reports on OHDS grant award activities.[7] We performed this review in accordance with generally accepted government auditing standards.

As requested by the Chairman's office, we did not obtain agency comments on a draft of this report. Throughout the review, however, we discussed the facts and issues to be reported on with HHS and OHDS officials and incorporated their comments where appropriate.

[5]Review of Selected Practices in Managing Discretionary Grants: Office of Human Development Services, Audit Control No. 12-33/29, Sept. 23, 1983.

[6]"Internal Control Review Report for the OHDS Discretionary Grant Program," prepared by an HHS/OHDS internal control review management team, Dec. 26, 1984.

[7]The Office of Human Development Services Coordinated Discretionary Grant Program (GAO/HRD-84-89, Sept. 27, 1984); Discretionary Grants: Opportunities to Improve Federal Discretionary Award Practices (GAO/HRD-86-108, Sept. 15, 1986); and GAO Correspondence (HR4-3, Aug. 7, 1984).

Documentation Often Lacking for Grant Award Decisions Made Out of Ranking Order in Fiscal Years 1984-85

Taking fiscal years 1984 and 1985 together, about 15 percent of OHDS' CDP grant decisions on competitively reviewed preapplications and full applications were made out of ranking order. But of these, 83 percent lacked written justification in the decision memoranda or official grant files. As a result, we could not determine why preapplications or full applications with lower scores were accepted or funded, rather than those with higher scores that were rejected or not funded.

In addition, for about 93 percent of the decisions to select preapplicants to submit full applications for administrative rather than competitive review, no written justification was provided. The Federal Register announcements stated that preapplications of "exceptional quality" or "unique interest" might be selected for administrative review. Without written justification, we could not determine why the selected preapplications were of "exceptional quality" or "unique interest."

When written justifications were provided for out-of-ranking-order rejections and selections and for decisions to administratively review full applications, the justifications were often vague, such as "not new" or "builds on current work." They did not adequately describe the factors considered beyond the reviewers' average scores and resultant rankings. Therefore, we could not determine whether full applicants and preapplicants were treated fairly and objectively.

Written Justification in Two-Stage Review Process in 1984 Inadequate

In fiscal year 1984, OHDS used the two-stage grant review and award process for NCCAN CDP grants. From a total of 326 preapplications submitted in the first stage, OHDS funded 65 projects after the second stage for a total of $5.8 million.[1] Of this amount, $5.6 million came from NCCAN and $225,000 from other OHDS components. (See app. IV and V for charts of decisions made on preapplications and full applications, respectively.)

Preapplication Selections Not Always Documented

Decisions made in the preapplication stage directly affect full application reviews and subsequent funding decisions. But HHS and OHDS grant administration manuals are silent concerning the need for written justification on decisions made for out-of-ranking-order preapplications. Justifications were omitted from the decision memoranda for 41 (80 percent) of the 51 decisions to reject or select preapplications for competitive review of full applications out of ranking order. This prevented

[1]One project was approved for deferred funding, and the grant was funded for $105,000 in fiscal year 1985.

us from determining the factors, in addition to the reviewers' average scores and resultant rankings, considered in making the decisions.

Of the 326 preapplications received by OHDS in fiscal year 1984, 191 were rejected, and of these, 28 were rejected out of ranking order (see app. IV). Seven of the 28 preapplications had written justifications in the decision memoranda explaining why they, rather than those with lower scores, were rejected. For four of the seven, "not part of the community" was the justification for rejection. The other three rejected out of ranking order were justified with "not new," "high cost of training," and "done before." Some of these reasons, such as "not new," were vague and lacked the details needed for us to understand the rationale for these decisions. The remaining 21 preapplications that lacked written justifications for rejection received average scores ranging from 53.0 (ranked 3rd of 4) to 92.7 (ranked 3rd of 21) in their respective priority areas.

OHDS selected 135 preapplicants to submit full applications—103 for competitive and 32 for administrative review. Of the 103, 23 were selected out of ranking order, but only 3 had written justifications explaining why they were selected rather than those that received higher scores and were rejected. The written justifications for these three were—"innovative for Indian applicant," "relates to current activities in priority area," and "rural—and few for [that state]," respectively. The remaining 20 preapplicants that were asked to submit full applications for competitive review were selected out of ranking order without written justification. They received average scores ranging from 55.0 (ranked 16th of 21) to 85.7 (ranked 3rd of 5) in their respective priority areas.

Decisions Leading to Administrative Reviews Usually Not Justified in Writing

In about 88 percent of cases in fiscal year 1984 in which OHDS executive staff asked NCCAN CDP preapplicants to submit full applications for administrative review, the decisions were not justified in the decision memoranda. Of the 32 preapplications selected, 28 had no such written justification.

The HHS and OHDS grant manuals are silent regarding the need for this justification, but the 1984 Federal Register announcement stated that preapplications of "exceptional quality" (not defined) might be selected for administrative review. Without the written justification, we could not determine if or why a preapplication was of "exceptional quality."

The decisions at the preapplication stage are significant because they contribute to the final funding selections during the full application stage. For instance, of the 32 preapplicants invited to proceed to the full application stage, 30 full applications were submitted for administrative review and of those, 27 (90 percent) were funded, as discussed in the next section. But only three had written justifications at the preapplication stage. The three justifications provided in the decision memoranda were:

- "Good background for statewide implementation in state with problems";
- "Energy impact area"; and
- "Unique, only project that deals with preschool children."

Funding Decisions Made Out of Ranking Order Usually Lacked Written Justification

Of 15 competitively reviewed full applications funded out of ranking order in fiscal year 1984, seven decisions by the OHDS executive staff were not justified on the decision memoranda as required by the HHS and OHDS grant administration manuals (see app. V). Without written justification, we could not determine why applications with high reviewers' average scores and resultant OHDS rankings were not funded, and other applications with lower average scores and rankings were funded.

Out of 135 preapplicants asked to submit full applications for administrative or competitive reviews, 126 did so. Of the 126, 96 were competitively and 30 administratively reviewed, and 61 were rejected, while 65 were funded, including 1 given deferred funding. Of the 96 applications competitively reviewed, 58 (60 percent) were not funded and 38 (40 percent) were funded. As discussed above, of the 30 applications administratively reviewed, 3 (10 percent) were not funded and 27 (90 percent) were funded.

Of the 58 applications competitively reviewed, 7 were rejected out of the ranking order. For three of the seven, there were written justifications explaining why they, rather than those with lower scores that were funded, were rejected, i.e.:

- "not a current priority,"
- "[another] approach better," and
- "not innovative."

For the remaining four, there were no written justifications on the decision memoranda, and they received average scores ranging from 77.3

(ranked 7th of 15) to 89.0 (ranked 9th of 19) in their respective priority areas. Of the 51 rejected within the ranking order, none were justified in writing.

The 65 full applications funded received a total of about $5.6 million. The 38 competitively reviewed received about $3.9 million and the 27 administratively reviewed about $1.7 million. Of the 38 competitively reviewed and funded, 8 were funded out of the ranking order; these received a total of $611,000. For five of the eight, their decision memoranda contained written justifications, but they were so vague and brief that we could not fully understand the rationale for the decisions, i.e.:

- "use of adolescent counselors viable";
- "good linkage, low budget";
- "Hispanic";
- "parent aid for child abuse and neglect . . . parents"; and
- "builds on current work."

These five were funded for $355,000. The other three had no written justification for funding out of ranking order and received $256,000 collectively; the largest amount was $100,000. The three received average scores of 85.7, 78.3, and 76.0 and were ranked 9th of 10, 19th of 35, and 20th of 35 in their respective priority areas. A detailed summary by priority area of the 65 funded applications in fiscal year 1984 appears in appendix VI.

We also traced the 20 preapplications selected out of ranking order without written justification to submit full applications for competitive review (discussed on p. 15) to determine if any were funded in the full application stage. Of the 19 full applications submitted, 6 were funded—3 within ranking order and 3 out of ranking order; 2 of them with written justification and 1 without.

Documentation of Preapplication and Full Application Decisions Still Lacking in 1985

In fiscal year 1985, OHDS again used the two-stage review and award process for the NCCAN CDP grants. Out of 286 preapplications submitted in the first stage, OHDS approved 64 grants in the second stage for a total of more than $5.0 million. About $4.9 million came from NCCAN, and $150,000 was provided by other OHDS components.

Preapplication Decisions Out of Ranking Order Not Justified in Writing

As with the previous year, neither preapplications rejected out of ranking order nor those chosen out of ranking order to make full applications for competitive review had justifications recorded by OHDS executive staff on the decision memoranda. The lack of such justification prevented us from determining the "other factors" considered in addition to reviewers' average scores and resultant rankings. No additional justifications were documented in the official grant files included in our review.

Of the 286 preapplications submitted in fiscal year 1985, 170 were rejected, 18 out of ranking order (see app. IV). None of the 18 had written justification in the decision memoranda as to why they were rejected rather than those that had lower scores and were asked to submit full applications for review. (As discussed in ch. 3, OHDS did not establish official files for rejected proposals.) These 18 preapplications received average scores ranging from 66.3 (ranked 11th of 25) to 93.5 (ranked 1st of 19).

A total of 116 preapplicants were selected to submit full applications—88 for competitive review and 28 for administrative review. Of the 88 preapplicants, 16 were selected out of ranking order, and none of these had written justification in the decision memoranda or official grant files. These 16 preapplications received average scores ranging from 36.5 (ranked 36th of 37) to 79.5 (ranked 13th of 37) in their respective priority areas.

No Preapplications Selected for Administrative Review Justified in Writing

For none of the 28 fiscal year 1985 NCCAN CDP preapplicants asked to submit full applications for administrative review were there justifications in the decision memoranda or the official grant files. As previously stated, the HHS and OHDS grant manuals were silent regarding the need for such justifications, but the fiscal year 1985 Federal Register announcement stated that such reviews were designated for preapplications of "unique interest" (not defined). Without documentation, we could not determine if or why the 28 preapplications selected were considered to be of unique interest.

As discussed below, all 28 preapplications selected to submit full applications for administrative review were ultimately funded for a total of about $1.8 million. Four of the more costly awards were for $200,000, $165,000, $150,000, and $150,000.

Full Applications Decided Out of Ranking Order Usually Lacked Written Justification

In 11 (92 percent) of 12 fiscal year 1985 decisions made by the OHDS executive staff on out-of-ranking-order full applications that were competitively reviewed, no justifications appeared on the decision memoranda or in the official grant files as required by OHDS and HHS grant administration manuals. Without such justification, we could not determine why grant applications with high average scores and rankings were not funded, while other lower ranked applications were funded.

Of the 116 preapplicants invited to submit full applications, 108 did so, and, of these, 80 applications were competitively reviewed and 28 administratively reviewed, as shown in appendix V. Of the 108 applications reviewed, 44 were not funded and 64 were funded. The 80 applications competitively reviewed resulted in 44 (55 percent) not being funded and 36 (45 percent) being funded. All 28 applications administratively reviewed were funded.

All 44 full applications not funded were competitively reviewed, 6 out of ranking order, of which only 1 had written justification explaining why it was not funded. That justification stated "highly limited number of staff 'spread thinly.'" The other five with no written justification on the decision memoranda received average scores ranging from 80.0 (ranked 18th of 28) to 90.0 (ranked 4th of 19) in their respective priority areas. Of the 38 rejected within ranking order, none were justified in writing.

Of the 64 full applications funded, 36 were competitively reviewed and received a total of about $3.1 million, while 28 were administratively reviewed and received a total of about $1.8 million. Of the 36 competitively reviewed and funded, 6 were funded out of ranking order, receiving about $586,000. Three of the more costly projects funded out of ranking order received $175,000, $135,000, and $100,000. None of the six had written justifications explaining why they were funded rather than applications with higher average scores and resultant rankings. These six received average scores ranging from 61.0 (ranked 12th of 19) to 80.0 (ranked 19th of 28) in their respective priority areas. For a summary by priority area of the 64 funded applications in fiscal year 1985, see appendix VI.

We also traced the 16 preapplications selected out of ranking order with no written justification to submit full applications for competitive reviews (discussed on p. 18) to determine if any were funded in the full application stage. Only 15 full applications were submitted, and 5 were funded—all of them within the ranking order.

Conclusions

By not justifying in writing its decisions on full applications for funding out of the established ranking order in fiscal years 1984 and 1985, OHDS did not follow established HHS and OHDS policies on the selection and rejection of NCCAN CDP grant applications. Without written justification, there was no assurance that such decisions were made in an objective, competitive, and fair manner.

In the same years, OHDS carried out its preapplication process largely in an ad hoc manner. For the preapplication stage, HHS and OHDS grant manuals were silent in regard to the standards to be followed, and the Federal Register annual announcements included only general guidance for both grant preapplicants and OHDS staff to follow.

Other Reports of OHDS Documentation Problems Noted; Further Agency Action Still Needed

OHDS's problems with documenting its grant award decisions have been highlighted previously by various groups including the HHS Inspector General and an HHS/OHDS internal control review management team. Also, we have conducted several reviews of OHDS grant activities because of congressional concerns about this area. Furthermore, at congressional hearings various interested organizations and individuals have complained about unfairness and irregularities in the awarding of OHDS discretionary grants.

In addition to its deficiencies in justifying funding decisions, OHDS has neglected to follow other departmental policies on documenting grant activities, such as requirements to set up files on rejected applications and to document the resolution of negotiation points, certain other grant-related decisions, and staff comments on proposals.

In fiscal year 1986, OHDS took steps to remedy the problems noted concerning documentation of its funding decisions on CDP grants. But when we analyzed the actions taken to implement the OHDS policy memorandum, we found that justification was still not prepared on applications rejected within the ranking order (as discussed on pp. 11-12). OHDS should take further action to comply with HHS and OHDS requirements to document these and other decisions made on NCCAN grant applications.

Deficiencies in Documentation of Grant Process Noted Previously

During the first half of the 1980's, documentation problems in the OHDS grant management process were noted in studies by (1) the HHS IG, (2) an OHDS/HHS internal control review management team, and (3) our office. The results of the first study led to a congressional request that we examine discretionary grant programs government-wide. We were also asked to investigate several specific grant awards made by OHDS. The outcomes of these various studies are discussed below.

Three Studies Criticized Grant Awards Process

The HHS IG's report[1] focused on selected OHDS practices in managing discretionary grants, particularly grant award activity for fiscal years 1978-82, in certain OHDS agencies. Among the agencies were the Administration for Children, Youth, and Families, the Administration of Developmental Disabilities, and the Administration on Aging. The IG found that OHDS acted improperly when it funded grant applications

[1] Review of Selected Practices (Sept. 23, 1983).

- before resolving the review panels' recommendations for improving the applications (negotiation points). Such recommendations should be resolved and documented before grant awards are made, according to the IG. In commenting on the report, OHDS officials agreed that such recommendations should have been resolved before funds were released.
- noncompetitively, without preparing written justification for such decisions, contrary to HHS policy. Noncompetitive applications were those that were not within the purview of the grant announcement, but lawfully could be supported by the granting agency, according to the IG. Most such grants reviewed by the IG resulted from unsolicited applications.
- out of ranking order and failed to justify in writing the reasons for these funding decisions.

The IG found that OHDS agencies should have justified certain decisions in writing but did not. In one case, the Administration for Developmental Disabilities funded an application that was rated technically inferior to 14 others. In several instances, the IG also found that grant management officials refused to sign the notices of grant award because they thought the out-of-ranking-order awards were inappropriate. In another example, the IG reported that the Administration for Developmental Disabilities awarded 8 of 13 noncompetitive grants without the required written justification. The eight awards totaled $1.7 million. Among actions by the Administration for Children, Youth, and Families, the IG identified a noncompetitive grantee whose initial and continuation grant awards had been improperly justified. The initial award was for $289,000.

In comments dated July 1983 on a draft of the IG's report, OHDS officials generally concurred with the IG's findings and agreed to improve the documentation of award decisions.

The OHDS/HHS internal control review management team also found documentation deficiencies in the CDP process through a review performed in accordance with the Financial Integrity Act (FIA). The goal of this legislation is to help reduce fraud, waste, and abuse as well as to enhance management of federal government operations through improved internal controls and accounting systems. In a 1984 FIA review report,[2] the following deficiencies were identified in OHDS:

[2]Internal Control Review Report (Dec. 26, 1984).

- Comprehensive written policies to describe grant application solicitation and review and monitoring of OHDS projects were lacking.
- Written justification for certain grant funding decisions was not readily available, which made feedback to applicants difficult and gave the appearance of arbitrary and inequitable decisionmaking.
- The need for administrative review of grant applications was not defined specifically enough.

To remedy these deficiencies, OHDS's FIA officials recommended that OHDS develop and issue comprehensive written procedures on all phases of CDP activities, including (1) grant application receipt, review, and approval and (2) project monitoring. As of January 1987, OHDS internal control review management team officials had not followed up to verify the extent to which OHDS implemented its corrective action plans.

In our study[3] covering the period October 1983-June 1984, we reviewed the grant award activities of six OHDS programs—Child Abuse Prevention, Child Welfare Services, Head Start, Runaway and Homeless Youth, Older Americans, and Native Americans. One issue we specifically examined was OHDS's procedure for complying with HHS's policies for approving grant applications out of ranking order. At that time, HHS policy was the same as it is now; reasons for funding and rejecting applications out of ranking order were to be documented. We found that OHDS's decisions in rejecting applications out of ranking order were frequently documented with only the word "no." Of 35 applications rejected out of ranking order, only 4 decisions were explained more explicitly than with the word "no." We concluded that OHDS's compliance with HHS policies on approving out-of-ranking-order applications should be improved.

In commenting on the findings in our report, OHDS officials concurred that its documentation of funding decisions could be improved and agreed to immediately implement corrective actions by stating the reasons for decisions more explicitly, beginning with the fiscal year 1984 award process.

Other Congressional Concerns Expressed

The HHS/IG's report on OHDS discretionary grant programs raised fundamental questions about the management of such grant projects throughout the federal government, according to the Chairman of the

[3]GAO/HRD-84-89 (Sept. 27, 1984).

Senate Committee on Governmental Affairs. The Chairman cited weaknesses revealed by the IG's report, such as lack of competition in the awarding of project grants and inadequate monitoring of grantees. As a result, in a letter dated January 10, 1984, the Chairman asked us to review the issues highlighted by the IG on OHDS's activities by examining a broad cross-section of other federal agencies that administer discretionary grant programs.

In the report[4] we prepared in response to this request, we concluded that several aspects of the discretionary grant review and award process should be strengthened to enhance competition and promote accountability. Because of the weaknesses identified, we recommended to the Office of Management and Budget that the President's Council on Management Improvement work with agencies in a government-wide project to improve managerial accountability for the discretionary grant award process.

Questions also were raised about several other aspects of OHDS's discretionary grant program. In October 1983, the Chairman of the Subcommittee on Human Resources, House Committee on Education and Labor, asked us to (1) determine whether favoritism or conflict of interest had occurred on the part of the Assistant Secretary of Human Development Services in the selection of certain grantees and (2) look into allegations that The Washington Post reported in an October 2, 1983, article about OHDS award decisions. According to the Chairman, the article alleged that scores and rankings of grant applications were generally being disregarded and that, of the proposals rated in the top 25 percent by expert reviewers, only half were allowed by OHDS administrators to compete for grant funds.

In an August 1984 letter,[5] we informed the Chairman that the Assistant Secretary's involvement in making CDP grant decisions was consistent with the law and that we found no violations concerning the grants in question. Nevertheless, we concluded that the awarding of three grants to a former employer by the Assistant Secretary gave the appearance of a lack of impartiality.

[4]GAO/HRD-86-108 (Sept. 15, 1986).

[5]GAO Correspondence (HR-4-3, Aug. 7, 1984.)

Other Parties Expressed Concerns

Others have expressed concern about the manner in which OHDS decides which grant applications to fund. On March 12 and May 14, 1986, the Chairman of the Subcommittee on Human Resources and Intergovernmental Relations, House Government Operations Committee, conducted hearings in part to seek answers as to whether NCCAN's grant selection process was fair. During the hearings, the Chairman specifically questioned OHDS officials about the number of applications funded out of ranking order and the lack of written justification for such decisions. At the May 14 hearing, the Chairman stated that the American Academy of Pediatrics, the American Psychological Association, the Child Abuse Coalition, and the Child Welfare League of America had expressed dissatisfaction with the OHDS grant application review process. OHDS officials responded that they were not satisfied with the documentation for some decisions in the past and that they could do a better job in preparing written justifications of grant award decisions in the future.

In 1983, the Gerontological Society of America went on record as supporting an investigation into OHDS's practices of awarding grants. In addition, private citizens have complained about OHDS grant award activities, one citizen calling it "OHDS's interference with the competitive award process."

Other Documentation Policies for Grant Programs Not Followed

In addition to failing to justify many of its funding decisions, OHDS has not fully complied with other departmental policies requiring documentation of grant management activities. Among the deficiencies we found in reviewing OHDS grant files for fiscal year 1985 were failures to (1) set up files on rejected grant applications and (2) document the consideration and/or resolution of negotiation points.

No Grant Files Established for Unfunded Applications

As discussed in chapter 2, 6 of the 44 NCCAN fiscal year 1985 CDP applications were rejected out of ranking order for funding. We found no additional documentation justifying these decisions because OHDS does not establish official files on unfunded applications. A grant management official in the Office of Management Services told us to contact officials of the Administration for Children, Youth, and Families for copies of the unfunded applications. These officials, however, told us that the applications had been destroyed. We were unable to determine specifically when the applications were destroyed or by whom.

If these applications were destroyed, as officials told us, OHDS has not complied with General Services Administration and HHS record retention

requirements. According to these requirements, an unfunded application should be maintained for at least 3 years after the date the application is rejected or withdrawn. OHDS officials told us that official files have never been developed or maintained for rejected CDP applications or preapplications.

Negotiation Points Not Resolved and/or Documented

OHDS failed to document in the files the extent to which negotiation points were resolved before grants were funded. As indicated previously, negotiation points are reviewers' recommendations or suggestions for improving grant proposals. HHS and OHDS policies require that discussions held with applicants in negotiating recommendations—and agreements reached—must be documented in the official grant files. Of the 56 funded grants in fiscal year 1985 that we reviewed, 31 included one or more negotiation points. Of these 31 grant files, however, 28 lacked documentation showing whether OHDS discussed the negotiation points with the applicants and whether these points were resolved before grant funds were released. The 28 grantees received funds totaling $2.7 million in fiscal year 1985.

Among examples of undocumented negotiation points raised by expert reviewers for two funded grants are the following:

- A grant application did not specify what $30,000 listed for personnel services would actually purchase. OHDS failed to document whether the applicant was contacted to explain this. The applicant received a total of $99,968.
- Two reviewers questioned a grant application's budget and the "realism" of the proposed project. Documentation was not available to indicate whether OHDS had resolved these issues. OHDS approved $134,708 for the project.

Other Grant Decisions Not Explained

We found various other undocumented decisions by OHDS on NCCAN-funded applications. When OHDS placed applications on "hold" (postponed making a funding decision), it did not always explain in writing the rationale for doing so. Also, OHDS funded certain applications for less than the amounts requested, but a written explanation was not always provided.

When we contacted program officials in the Administration for Children, Youth, and Families, Children's Bureau, and NCCAN for additional written justification they might have prepared on these decisions, they

said any such documentation would be in the official grant files. These officials generally agreed that decisions on grant applications should be documented more completely.

We attempted to determine what consideration the applications received at each organizational level within OHDS. We were unsuccessful because documentation was not prepared by staff within the OHDS components to summarize comments and recommendations made to the next review level. For the NCCAN CDP grants, NCCAN staff first evaluated the scores that full applications received from the experts, along with the results on the administratively reviewed applications. NCCAN officials told us they commented on the applications and presented these comments to Children's Bureau officials. But this was an informal process, the officials said, and they did not prepare written reports of their comments.

Similarly, Children's Bureau officials reviewed the applications and made recommendations to officials in the Administration for Children, Youth, and Families, but did not keep copies, they said. Nor was documentation available on the specific recommendations Administration for Children, Youth, and Families officials made to OHDS executive staff. As a result, managerial accountability could not be established on the decisions OHDS staff made on the applications as they were reviewed at each organizational level. This was especially a problem for applications that were eventually approved and disapproved for funding out of ranking order.

OHDS's Recent Actions Do Not Remedy All Documentation Deficiencies

In fiscal year 1986, OHDS issued a memorandum emphasizing the existing policy requiring grant applications funded out of ranking order to be justified in writing before grant funds are released. Our analysis of the decision memoranda for fiscal year 1986 NCCAN applications revealed that written justification was prepared for those funded out of ranking order and those rejected out of ranking order. For applications rejected within the ranking order, however, written justification was still not prepared as required by HHS and OHDS grant administration manuals.

In a May 15, 1986, memorandum, the director of OPD instructed OHDS program commissioners that documentation for the files had to be prepared for all grant awards. This memorandum emphasized existing policy requiring written justification, particularly when applications were funded out of ranking order. The Assistant Secretary for Human Development Services gave OPD responsibility for assuring that written justification was prepared and placed in the files before grant awards

were made. Also, the director of OPD told us that the grant officials in the Office of Management Services were instructed not to release funds to grantees until out-of-ranking-order selections were justified in writing.

Grant management officials in the Office of Management Services implemented the new policy when making fiscal year 1986 awards, they told us. When memoranda did not accompany applications approved for funding out of ranking order, grant management officials said they delayed funding. In these cases, OPD was notified and directed to contact the commissioner of the Administration for Children, Youth, and Families to request the required memoranda. Before fiscal year 1986, grant management officials explained, they would have had to contact this commissioner directly to request the written justification. One grant management official believed that the previous arrangement contributed in part to written justification not being prepared, he told us, because it was difficult for him or someone in his office to demand such justification on award decisions that had been made by the OHDS executive staff.

With the grant awards now being delayed until written justification is prepared, Office of Management Services' grant management and OPD officials told us that they believe the past documentation deficiency has been resolved.

In July 1986, while grant awards were being processed we checked further to determine whether OHDS had prepared written justification for decisions made on NCCAN fiscal year 1986 applications approved and disapproved for funding out of ranking order. At that time, of 173 applications considered OHDS had approved 13 applications out of ranking order and disapproved 13 out of ranking order. In response to our request, OHDS furnished examples of the written justifications then being prepared for those funded out of ranking order—written justifications it already had prepared for 7 of the 13 decisions.

An example of a written justification OHDS prepared for the official grant file on one fiscal year 1986 application funded out of ranking order follows:

"There were 30 applications in this priority area. This application ranked number eight. The OHDS senior staff decided to fund this application instead of others which ranked higher than it in terms of reviewers' scores in order to assure a more equal distribution of projects across the whole country, so that they are not concentrated in any one area. This funding decision was made on March 6, 1986."

While this example is an improvement over the written justifications OHDS prepared in previous fiscal years, it does not include sufficient information to support the decision. For example, in this justification OHDS did not include the scores, rankings, and locations of the applicants that were funded nor of those not funded. Also, evidence was not provided to show how this grant project would affect the distribution of funded projects across the country. Without providing such specific data in the written justification, OHDS has not fully explained the conditions and circumstances that led to its out-of-ranking-order decision.

For the remaining six decisions on applications funded out of ranking order, the director of OPD assured us that written justification would be prepared. Furthermore, the official said that written justifications for applications rejected out of ranking order were not being prepared. According to the director, the reasons for rejecting applications were implicitly stated in the memoranda prepared for those funded out of the ranking order. Furthermore, the director said this practice met HHS documentation requirements.

We agree that the rationale for rejecting applications out of the ranking order may be implicitly stated in the above example. But we disagree that such justification meets HHS and OHDS requirements because the reasons for rejecting applications out of ranking order are not explicitly explained.

In December 1986, we again contacted the OPD director to review written justifications prepared for decisions made to approve and reject applications for NCCAN CDP grants in fiscal year 1986. Our analysis revealed that OHDS had taken additional steps to also justify in writing decisions to reject applications out of ranking order, as required. Decisions to reject applications for funding within ranking order, however, were still not being documented as required.

Conclusions

Throughout the early 1980's, OHDS failed to fully document many decisions on out-of-ranking-order grant applications as HHS and OHDS grant administration manuals require. As a result, some grant applications received funding without written justification, even though their average scores and rankings were lower than other applications that were not funded. OHDS also funded certain applications without documenting decisions made on actions taken on negotiation points identified during the review of applications. Although OHDS made commitments to HHS and GAO to improve documentation on decisions made during the

grant review and award process, OHDS has not taken all actions needed to correct its deficiencies.

During fiscal years 1984-85, OHDS used a two-stage process involving preapplications and full applications to evaluate grant proposals. In fiscal year 1986, OHDS discontinued soliciting preapplications and conducting administrative reviews. If OHDS decides to use the two-stage process and conduct administrative reviews again, clear standards and procedures should be developed to assure that the decisions reached are fair and objective.

In fiscal year 1986, OHDS took action requiring that documentation be prepared on decisions to fund applications out of ranking order. This action, however, does not ensure comprehensive documentation of all decisions related to grant awards. Because of the numerous documentation inadequacies, we were unable to determine whether each fiscal year 1986 grant application received fair, objective, and competitive consideration. We believe that this lack of documentation also prevents OHDS and HHS from making such determinations.

We recognize that, in the CDP grant review and award process, OHDS may deviate from the rankings prepared from the average scores assigned to applications by panels of experts in deciding which to fund and reject. Additional documentation is needed, however, to ensure the fairness and objectivity of the OHDS decisions. OHDS needs to do more to promote managerial accountability for the decisions made during its screening of grant applications. Because of OHDS's history of not following through on agreed-upon corrective actions, recommendations to the Secretary of Health and Human Services are warranted to ensure that appropriate actions are taken.

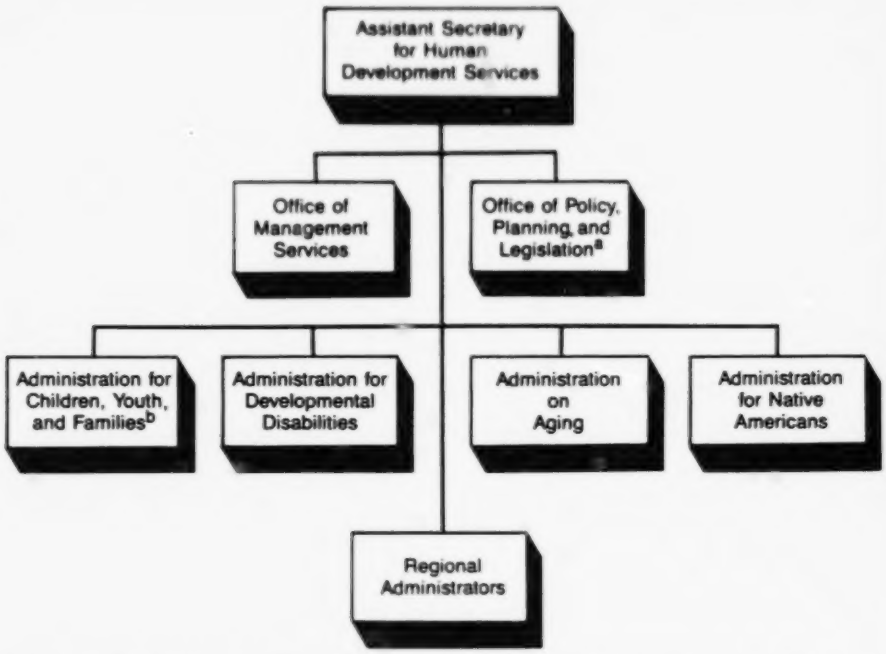
Recommendations

We recommend that the Secretary of Health and Human Services direct the Assistant Secretary of Human Development Services to take the following actions:

- Prepare written justifications for all rejections, as required by OHDS and HHS grant administration manuals.
- Prepare official files for all applications rejected for funding and retain these files for at least 3 years after grant awards are made.
- Withhold funds from grantees until documentation is included in the official grant files showing that all negotiation points raised during the review process have been considered and resolved.

- Examine existing policies requiring documentation for grant award decisions and determine whether the required documentation ensures fair and objective consideration for all grant applications.

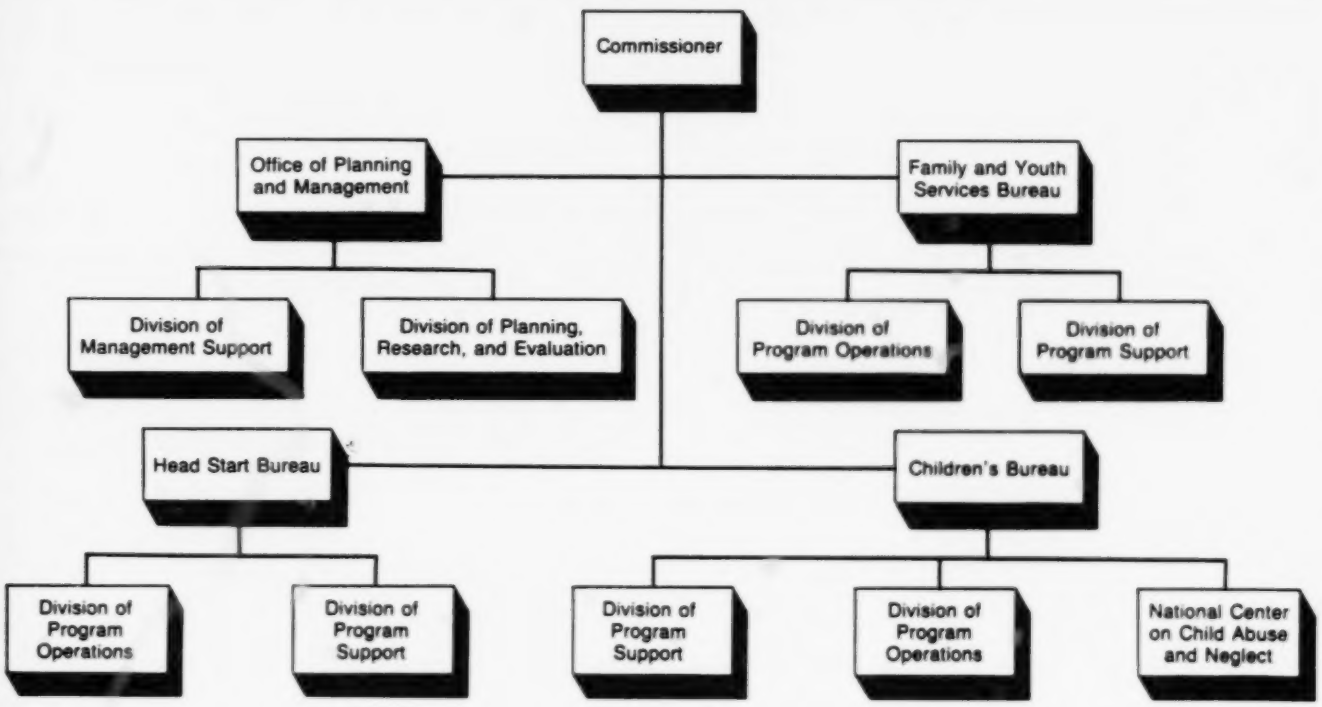
Organization Chart for Office of Human Development Services, HHS (October 1986)


Assistant Secretary for Human Development Services
Office of Management Services
Office of Policy, Planning, and Legislation[a]
Administration for Children, Youth, and Families[b]
Administration for Developmental Disabilities
Administration on Aging
Administration for Native Americans
Regional Administrators

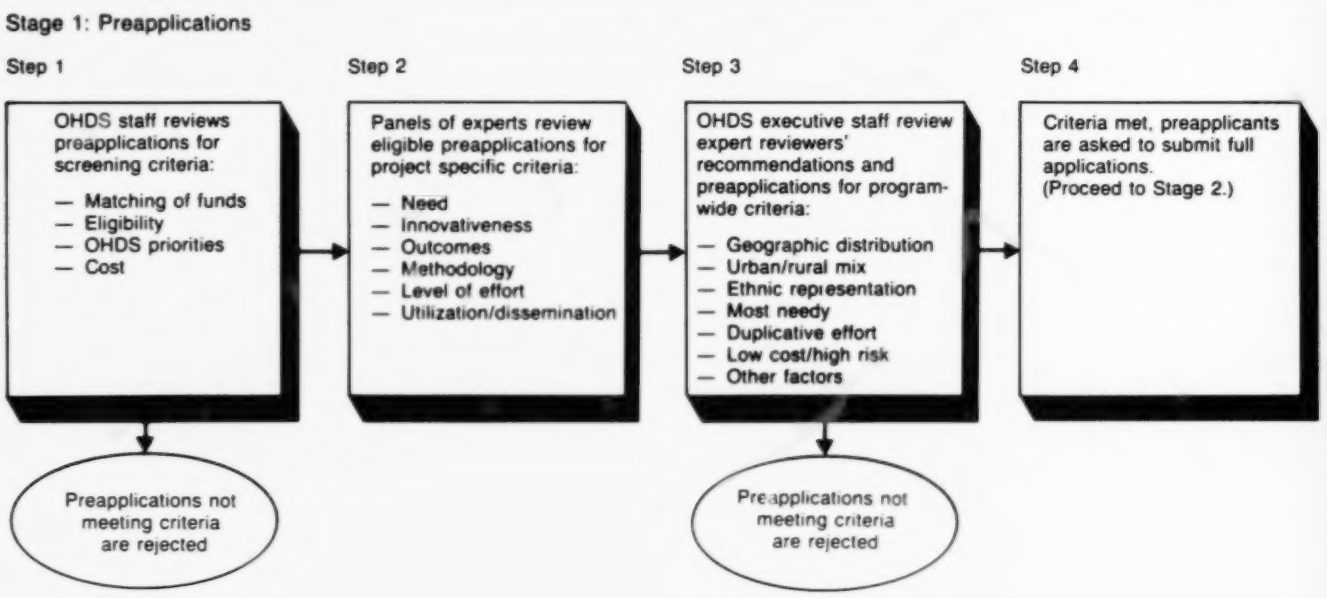
[a] The Office of Program Development was consolidated into this office on August 11, 1986.

[b] See app. II for organization chart.

Organization Chart for Administration for Children, Youth, and Families, OHDS, HHS (October 1986)


Commissioner
Office of Planning and Management
Family and Youth Services Bureau
Division of Management Support
Division of Planning, Research, and Evaluation
Division of Program Operations
Division of Program Support
Head Start Bureau
Children's Bureau
Division of Program Operations
Division of Program Support
Division of Program Support
Division of Program Operations
National Center on Child Abuse and Neglect

OHDS Competitive Review and Award Process for NCCAN CDP Grants (Fiscal Years 1984-85)


Stage 1: Preapplications
Step 1
OHDS staff reviews preapplications for screening criteria:
— Matching of funds
— Eligibility
— OHDS priorities
— Cost
Preapplications not meeting criteria are rejected
Step 2
Panels of experts review eligible preapplications for project specific criteria:
— Need
— Innovativeness
— Outcomes
— Methodology
— Level of effort
— Utilization/dissemination
Step 3
OHDS executive staff review expert reviewers' recommendations and preapplications for program-wide criteria:
— Geographic distribution
— Urban/rural mix
— Ethnic representation
— Most needy
— Duplicative effort
— Low cost/high risk
— Other factors
Preapplications not meeting criteria are rejected
Step 4
Criteria met, preapplicants are asked to submit full applications.
(Proceed to Stage 2.)
Stage 2: Full Applications
Repeat steps 2 and 3 for all full applications except those to be administratively (noncompetitively) reviewed.
Applications not meeting criteria are rejected
Applications met criteria; OHDS executive staff decides which applications will be funded.

Documentation of OHDS Decisions on Preapplications for NCCAN CDP Grants Made Out of Ranking Order (Fiscal Years 1984-85)

Fiscal year/funding action	Total preappli-cations	Decided within ranking order	Decided out of ranking order			
			Total	Written justification		
				Yes	No	(Percent)
1984:						
Rejected	191	163	28	7	21	(75)
Selected to submit full applications for competitive review	103	80	23	3	20	(87)
Subtotal/totals	**294**	**243**	**51**	**10**	**41**	**(80)**
Selected to submit full applications for administrative review	32[a]					
Total	**326**					
1985:						
Rejected	170	152	18	0	18	(100)
Selected to submit full applications for competitive review	88	72	16	0	16	(100)
Subtotal/totals	**258**	**224**	**34**	**0**	**34**	**(100)**
Selected to submit full applications for administrative review	28[a]					
Total	**286**					

[a]These preapplicants were selected based on factors other than their competitive average scores and rankings. Accordingly, we did not consider them in performing our in- and out-of-ranking-order analyses.

Documentation of OHDS Decisions on Full Applications for NCCAN CDP Grants Made Out of Ranking Order (Fiscal Years 1984-85)

Fiscal year/funding action	Total applications submitted for review	Applications submitted for administrative review	Applications submitted for competitive review					
			Total	Decided in ranking order	Decided out of ranking order			
					No.	Written justification		
						Yes	No	(Percent)
1984:								
Funded	65	27	38	30	8	5	3	(38)
Not funded	61	3	58	51	7[b]	3[b]	4	(57)
Total	**126**	[a]	**96**	**81**	**15**	**8**	**7**	**(47)**
1985:								
Funded	64	28	36	30	6	0	6	(100)
Not funded	44	0	44	38	6	1	5	(83)
Total	**108**	**28**	**80**	**68**	**12**	**1**	**11**	**(92)**

[a]Two of the preapplications selected for administrative review in fiscal year 1984 did not subsequently submit full applications.

[b]OHDS initially rejected a full application after it had been competitively reviewed. Subsequently, this same full application was reviewed administratively and funded. Accordingly, this full application is not included as a competitively reviewed full application, but is included as a funded, administratively reviewed full application.

OHDS Decisions on NCCAN CDP Full Applications Funded Out of Ranking Order, by Priority Area (Fiscal Years 1984-85)

		Applications funded				
				Competitively reviewed		
Fiscal year/priority area	Applications submitted	Total	Administratively reviewed	No.	Ranking order	Out of ranking order
1984						
2.3A - Prevention Programs for Maltreated Adolescents	19	12	8	4	#3,#4,#5,#6	#5,#6
2.3B - Building Capacity and Resources in Minority Communities to Prevent Child Abuse and Neglect	15	6	0	6	#1,#2,#3,#4,#5,#8	#8
2.3C - School Prevention Programs	10	8	2	6	#1,#3,#4,#5,#6,#7	#7
2.3D - Protection of Handicapped Infants	3	1	1	0	0	0
2.3E - Child Neglect Prevention and Treatment	3	1	0	1	#1	0
2.3F - Child Neglect Protection: Lack of Supervision	2	1	0	1	#1	0
2.3G - Protection and Treatment for Emotional Maltreatment	2	2	2	0	0	0
2.3H - Improve Court Procedures for Dealing with Child Sexual Abuse and Sexual Exploitation	4	4	4	0	0	0
2.3I - Alternatives to Litigation in Child Maltreatment Cases	1	1	1	0	0	0
2.3J - Study of Nonprofessional Sources of Child Abuse and Neglect Reports	4	2	0	2	#1,#2	0
2.3K - Use of Elderly in Meeting Needs of Maltreated Children and Their Families	7	2	0	2	#1,#3	#3
2.3L - Child Abuse and Neglect Programs Implemented Through the Child Protective Service System	35	16	7	9	#1,#2,#3,#4,#5,#6, #11,#12	#11,#12
2.3M - Use of Parent Aides Working with Child Protective Service Agencies	13	5	0	5	#1,#2,#3, #4,#5	0
2.3N - Other Practices Working with the Child Protective Service Agencies: Peer Support Groups	8	4	2	2	#1,#4	#4
Totals	**126**	**65**	**27**	**38**		**8**

Appendix VI
OHDS Decisions on NCCAN CDP Full Applications Funded Out of Ranking Order, by Priority Area (Fiscal Years 1984-85)

Fiscal year/priority area	Applications submitted	Applications funded				
		Total	Administratively reviewed	Competitively reviewed		
				No.	Ranking order	Out of ranking order
1985						
1.04A - Coordination and Handling of Reported Cases of Child Sexual Abuse by Agencies	19	10	2	8	#3,#4,#5,#6 #7,#8,#9,#10	#9,#10
1.04B - Physical and Sexual Abuse Diagnosis and Treatment for Runaway Youth and Youth Without Homes	8	4	1	5	#1,#2,#3 #5,#7	#7
1.04C - Recruitment of Volunteers to Serve as Court Appointed Special Advocates	19	16	11	3	#1,#2,#3	0
1.04D - Use of Clinicians for Child Abuse and Neglect Treatment	2	2	2	0	0	0
4.11A - Education of School- Aged Children to Prevent Child Sexual Abuse	28	18	7	11	#1,#2,#3,#4, #5,#6,#7,#8, #9,#10,#12	#12
4.11B - Public Awareness Materials on Child Sexual Abuse for Parents and Service Providers	20	10	5	5	#1,#2,#3,#5,#7	#7
4.11C - Training to Enhance Multidisciplinary Support in Services for Abused and Neglected Children	12	4	0	4	#1,#2,#4,#6	#6
Totals	**108**	**64**	**28**	**36**		**6**

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